



**Governor's Budget Recommendations
Summary
2023 – 2025 Biennium
February 15, 2023**

2023-2025 Governor's Recommendations

- In total, the governor's recommendation proposes an increase in funding of \$227,613,400 [\$177,296,700 GPR, \$97,512,300 FED, \$1,944,600 PR, and \$859,800 PR-S] and decrease of -10.0 FTE in SFY24 and an increase of \$485,767,100 [\$334,378,400 GPR, \$148,471,200 FED, \$1,946,500 PR, and \$971,000 PR-S] and a decrease of -13.0 FTE in SFY25.
- Represents a 50.7% GPR increase in the biennium over the base year doubled and an overall biennial all funds increase of 26.2% over the base year doubled
- In the summary items below, when a number is listed in the title (ex. "Standard Budget Adjustments – **"38"**"), it corresponds to items numbered in DOA's executive budget listing for DCF that can be viewed [here](#).

Department-Wide

Standard Budget Adjustments - 38

- Recommends a decrease of -\$590,724 [-\$795,200 GPR, \$1,204,000 FED, -\$136,800 PR and \$862,700 PR-S] and -24.0 FTE in SFY24 and -\$2,085,200 [-\$779,400 GPR, -\$397,200 FED, -\$120,200 PR, and -\$778,400 PR-S] and -27.0 FTE in SFY25 to fund standard budget adjustments, including full funding of salary and fringe, turnover, overtime, night and weekend differential, and full funding of lease and directed moves.

Program Revenue Re-Estimates - 36

- Recommends an increase of \$3,621,100 [\$121,100 FED, \$2,000,000 PR and \$1,500,000 PR-S] in SFY24 and an increase of \$3,621,100 [\$121,100 FED, \$2,000,000 PR and \$1,500,000 PR-S] in SFY25 to reflect estimates of federal and program revenue funding levels.

Funding and Position Realignment - 37

- Recommends a decrease of -\$35,100 [-\$1,000 GPR, -\$146,000 FED, and \$111,900 PR-S] in SFY24 and a decrease of -\$35,100 [-\$1,000 GPR, -\$146,000 FED, and \$111,900 PR-S] in SFY25 to accurately reflect the needs and organizational structure of the department.

Cybersecurity Resources - 33

- Recommends providing \$1,185,000 GPR in each SFY24 and SFY25 to support critical cybersecurity activities to ensure the continued integrity and protection of child welfare and childcare data.

Office of Legal Counsel Resources - 34

- Recommends providing position and associated expenditure authority for OLC to hire 2.0 FTE – Attorneys to meet increasing workload related to Milwaukee Child Welfare and General Administrative responsibilities.

Agency Equity Officer – 35

- Recommends providing position and associated expenditure authority for an agency equity officer in the Secretary's Office. The equity officer will collaborate with DOA and other agencies to promote equity in government operations.

Child Welfare**System-wide Child Welfare Items****Intensive Family Services - 9**

- Recommends providing \$17,889,000 in SFY24 (\$16,567,500 GPR and \$1,321,500 FED) in SFY24 and \$17,945,800 (\$16,595,900 GPR and \$1,349,900 FED) in SFY25, including 2.0 FTE to support an intensive in-home and out-of-home services program to prevent abuse and neglect and to stabilize families for children at risk of entering the out-of-home care system or youth at risk of entering the juvenile justice system.

Child Welfare Data System Improvements - 19

- Recommends providing one-time funding of \$2,418,900 (\$1,505,100 GPR and \$913,800 IV-E) in each SFY24 and SFY25 to make enhancements to the child welfare data system (eWiSACWIS). Of these funds, an overall base increase of \$301,000 GPR and \$182,800 IV-E is recommended to continue in the next biennium.
- The governor also recommends \$268,800 in TANF funding in SFY24 and SFY25 (see *other TANF programs* section) for kinship-related eWiSACWIS improvements.

Additional State Support for Tribal Child Welfare - 12

- Recommends increased funding for tribal family services (an additional \$825,000 GPR in SFY24 and \$1,100,000 GPR in SFY25) and high-cost out-of-home care placements (an additional \$3,000,000 GPR in each SFY24 and SFY25) to better support Native American children in the child welfare system.

Out of Home Care Items

Adoption Assistance, State Foster Care, Subsidized Guardianship & Public Adoption Contracts - 18

- Recommends total net decreases of -\$2,343,900 in SFY24 and -\$974,600 in SFY25 to adjust expenditure authority for adoption assistance, state foster care, subsidized guardianships and public adoption services to reflect current caseload projections and changes in federal claiming rates.
 - For the AA, SFC, and SG components, the governor recommends an all funds decrease of -\$3,840,300 (-\$4,870,400 GPR and \$1,030,100 IV-E) in SFY24 and -\$2,685,000 (-\$4,121,900 GPR and \$1,436,900 IV-E) in SFY25. This figure includes additional funding to reimburse tribes for subsidized guardianship placements as the state currently does with counties.
 - The governor recommends increasing public adoption services to meet the federal Adoption Savings expenditure requirements by providing \$1,496,400 (\$1,071,300 GPR and \$425,100 IV-E) in SFY24 and \$1,710,400 (\$1,285,300 GPR and \$425,100 IV-E).

Foster Care and Kinship Care Rate Change and Exceptional Payments - 13, 14

- Recommends providing \$598,200 (\$392,000 GPR and \$206,200 FED) in SFY24 and \$1,196,400 (\$784,100 GPR and \$412,300 FED) in SFY25 to increase the foster care age-based rates by 5 percent (beginning 1/1/2024). This increase also provides for foster care level 1 caregivers and kinship caregivers to also receive these age-based rates. The amount provided for kinship caregivers is included in the *other TANF programs* section.
- Recommends providing \$9,400 (\$6,100 GPR and \$3,300 FED) in SFY24 and \$10,300 (\$6,700 GPR and \$3,600 FED) in SFY25 to allow foster care level 1 caregivers and kinship caregivers to qualify for sibling exceptional payments and one-time clothing allowances. The amount provided for kinship caregivers is included in the *other TANF programs* section.
- The funding to support these two recommendations will increase the Children and Family Aids allocation by \$401,900 in SFY24 and \$798,800 in SFY25 for new total CFA allocations of \$101,564,700 (SFY24) and \$101,961,600 (SFY25.)

Flexible Support for Kinship Caregivers ("KinFlex"), Emergency Supports for Kinship Caregivers, and Family Search Funding– 15

- Recommends providing \$8,259,400 GPR in SFY24 and \$8,237,100 GPR in funding for additional, flexible financial support to kinship caregivers (known at DCF as *KinFlex*) and for family search services for child welfare agencies in search of prospective kinship caregivers. The Governor also recommends modifying current law to allow the department to provide financial support to kinship caregivers in emergency situations.

Congregate Care Program Training - 20

- Recommends \$200,000 GPR annually to restore amounts that were previously provided on a one-time basis in the 2021-23 biennium to provide training and support continuous quality improvement for Qualified Residential Treatment Program providers.

Sibling Reunification Grants - 21

- Recommends \$75,000 GPR annually to create a grant program for sibling connection scholarships to provide siblings who were separated in adoption with opportunities to be reunited, such as at summer camps.

Youth Services Items

SRCCCY Bonus Funding for Qualifying Counties - 29

- Requests \$750,000 GPR in SFY25 to provide bonus payments specified in Wis. Stat. s. 48.527.

Youth Justice Investment and Modifications - 32

- This item simplifies the funding statutes for Youth Aids to give greater flexibility in allocating funding and allowing the department to fund activities required under Wis. Stat. s. 48.526(1). These modifications do not change the base Youth Aids distribution formulas but it would add funds to that base. There is no net change in funding associated with this modification.

Youth Justice Training - 28

- Recommends \$1,563,500 GPR in SFY24 and \$2,102,000 GPR in SFY25 to create a state training program for new youth justice workers and booster training on the Youth Assessment Screening Instrument for current youth justice workers. Of these funds, an overall base increase of \$538,500 GPR is recommended to continue in the next biennium.

Youth Justice Data Systems - 27

- Recommends providing \$1,371,800 (\$936,700 GPR and \$435,100 IV-E) in SFY24 and SFY25 in on-going funding to develop a youth justice data and reporting system and to support continued licensing costs for the Youth Assessment Screening Instrument.
 - The governor did not recommend any additional FTE for this item, as requested by the department

Juvenile Court Jurisdiction - 30

- Recommends the creation of a new sum-sufficient appropriation to reimburse counties for the costs associated with responsibility for 17 year old youth. This results from raising the age that a circuit court or municipal court exercises adult court jurisdiction on individuals from 17 years of age to 18 years of age. Funding is estimated at \$5,000,000 GPR in SFY24 and SFY25 but can be increased as needed.

Bureau of Youth Services Modification - 24

- This item consolidates GPR funding and program statutes for Runaway and Homeless Youth, grants for children's community programs, services for victims of sex trafficking, and Brighter Futures Initiative into a single grant for youth services program and appropriation. This also allows the \$500,000 of TANF for evidence-based substance abuse prevention to be used for grants for youth services. There is no net change in GPR or TANF.

Runaway and Homeless Youth Supports - 22

- Recommends increasing funding by \$2,020,000 GPR annually for programs that serve runaway and homeless youth. Funding would increase statewide runaway and homeless youth service capacity by funding more than one grant per Youth Services Region (additional funding of \$820,000 GPR per year) and \$1,200,000 GPR per year to expand the PATHS Program (Permanent connections, Academics, Training and employment, Housing and Social and emotional well-being) statewide. PATHS serves youths at imminent risk of homeless after exiting the child welfare system.
- This is also part of a consolidation of Youth Services Programs.

Independent Living Supports – 23

- Recommends increasing funding by \$3,852,500 GPR annually for independent living services to youth who are aging out of the out-of-home care system.
- This funding would provide Transition Resource Agency and Tribal Independent Living sustainability funding, expand eligibility to age 23, and streamline eligibility requirements.

Juvenile Justice Reform Review Committee – 31

- Recommends creating a Juvenile Justice Reform Review Committee at DCF to study juvenile justice reforms to present to DCF and the Department of Corrections by September 16, 2024. Members of the committee are appointed by the governor.

Safety and Well-Being Items

Home Visiting Expansion – 25

- Recommends providing \$1,200,000 GPR in SFY24 and \$4,000,000 (\$3,986,000 GPR and \$104,000 IV-E FED) in SFY25 to expand home visiting services to additional counties and tribes in the state.

Domestic Abuse Services Funding – 26

- Recommends increasing the funding for domestic abuse services by \$20,217,300 GPR annually.
 - Total increased funding includes \$14,000,000 GPR per year in a new appropriation to re-establish and administer the Living Independently through Financial Empowerment (LIFE) program which provides short-term assistance to individuals who are survivors of domestic abuse. DCF may contract with Wisconsin Works agencies to administer the program.
 - The remaining \$6,217,300 GPR will be added to the current Domestic Violence GPR appropriation to increase funding for DCF's domestic abuse grants under s. 49.165 Wis. Stats.

DMCPS Child Welfare Items

DMCPS Aids Expenditures - 17

- Recommends an overall increase of \$4,274,300 [\$2,521,100 GPR and \$1,753,200 FED] in SFY24 and \$4,264,800 [\$2,514,000 GPR and \$1,750,800 FED] in SFY25 to reflect projected changes.
 - Recommends a decrease of -\$3,327,100 [-\$3,869,700 GPR and \$542,600 FED] in SFY24 and -\$3,336,600 [-\$3,876,800 GPR and \$540,100 FED] in SFY25 to reflect changes in caseloads, expenditures, and federal claiming rates for out-of-home care placements and wraparound.
 - Recommends an increase of \$7,601,400 [\$6,390,800 GPR and \$1,210,600 FED] in SFY24 and SFY25 to increase several aids contracts for the Division of Milwaukee Child Protective Services (DMCPS), including ongoing case management contracts, independent investigations, permanency plan reviews, district attorney, and other contract adjustments. This includes \$4,480,000 [\$4,045,800 GPR and \$434,200 PR-F] for increased salaries for ongoing case management agencies.

DMCPS Continuum of Care - 10

- Recommends \$4,381,000 GPR in SFY24 and \$11,082,000 GPR in SFY25 to improve the continuum of care in the Milwaukee child welfare system, including funding for assessment and stabilization centers, aftercare services, behavioral health services and a dedicated Qualified Residential Treatment Program.

DMCPS Prevention Services Funding Modifications - 11

- Recommends an increase of \$4,398,000 GPR in SFY24 and \$4,764,100 GPR in SFY25 to provide short-term respite services for Milwaukee families in need of services and to replace \$4m of TANF funds for prevention services, giving greater flexibility in meeting the needs of families and reducing the corresponding TANF allocation.

DMCPS Operations Improvements - 16

- Recommends an increase of \$510,900 [\$484,600 GPR and \$26,300 PR-F] in SFY24 and \$802,900 [\$767,900 GPR and \$35,000 PR-F] in SFY25 and 5.00 FTE [4.60 GPR and .40 PR-F] in SFY24 and SFY25. These positions will improve the division's ability to engage with stakeholders including the communities of Milwaukee, create and implement policies, and maximize the effectiveness of current resources

Child Care

Child Care Counts - 1

- The Governor recommends an increase of \$81,389,400 GPR in SFY24 and \$221,719,300 GPR in SFY25 to continue the Child Care Counts quality improvement program. This includes CCC Grants (\$81,000,000 GPR in SFY24 and \$221,000,000 GPR in SFY25), evaluation costs (\$200,000 GPR in SFY25), and 4.0 FTE (\$389,400 GPR in SFY24 and \$519,300 GPR in SFY25.) Note that the evaluation costs are recommended for SFY25 only.

Child Care Slots for Businesses - 2

- The Governor recommends an increase of \$11,198,000 GPR in SFY24 and 25 to continue the Partner Up! program. This includes contracts with businesses (\$10,000,000 GPR in SFY24 and 25), administration costs (\$470,000 GPR in both years), and Business Child Care Advocates (\$728,000 GPR in both years.)

Child Care Direct Services - 3

- The Governor recommends an increase of \$1,728,400 FED in SFY24 and an increase of \$19,673,300 FED in SFY25 for the Wisconsin Shares re-estimate which includes costs related to switching to a part-time/full-time authorization structure in Wisconsin Shares (\$53,459,800 FED in SFY24 and \$71,279,700 FED in SFY25), increasing child care contracts with Tribal regions (\$375,000 FED in SFY24 and \$500,000 in SFY25), and creating an income disregard for Wisconsin Shares authorizations for direct care workers (\$600,000 in both years). It also includes a re-estimation of Wisconsin Shares base subsidy spending (-\$34,253,400 FED in both years) and removes ARPA subsidy spending from the base (-\$18,000,000 FED in both years).

Child Care Quality Care for Quality Kids – 3 and 4

- The Governor recommends an increase of \$26,167,200 FED in SFY24 and an increase of \$25,964,000 in SFY25. This includes CCDF spending on Child Care Counts (\$19,000,000 FED in SFY24 and 25), grants for new providers (\$5,000,000 FED in SFY24 and 25), Social emotional learning contracts (\$1,327,200 FED in SFY24 and \$1,964,000 FED in SFY25), and via non-statutory provision, funding for the Wellpoint YMCA child care center (\$840,000 FED in SFY24 and \$840,000 GPR in

SFY24). It also includes continuing funds for the 53206 Initiative (\$496,000 FED in SFY 24 and 25).

Child Care Administration – 3

- The Governor recommends an increase of \$3,079,900 FED in SFY24 and \$3,166,200 in SFY25, which includes funding to move child care licensing to an electronic application process (\$994,400 FED in SFY24 and \$426,900 FED in SFY25), to cover increasing costs for services provided by Deloitte Consulting (\$126,200 FED in SFY24 and \$200,400 FED in SFY25), and Child Care counts call center and IT (\$312,000 FED in SFY24 and \$624,000 FED in SFY25.) The Governor also recommends transferring GPR from the Department of Health Services for administrative costs associated with the Child Care Statewide Administration on the Web (CSAW).

Family and Economic Security – 5, 6, 7, and 8

- Recommends \$1,300,000 GPR annually to the Wisconsin chapter of the Boys and Girls Club to support youth mental health and substance use prevention.
- Recommends \$250,000 GPR annually in additional funding for Skills Enhancement Grants to help low-income parents overcome barriers to employment, as recommended by the Interagency Council on Homelessness.
- Recommends \$5,000,000 GPR and \$9,705,900 FED annually in additional funding to county child support agencies.
- Recommends \$2,435,600 GPR and \$4,728,100 FED in SFY24 and \$6,975,900 GPR and \$13,541,300 FED in SFY25 in additional funding for the Bureau of Child Support's child support modernization (CSM) project.
 - Note that funding is provided on a one-time basis, so if passed, funding would not be included in the adjusted base for 2025-27.

W-2 and TANF-Related Programs

Wisconsin Works (W-2) - 3

- W-2 benefits – Decreases funding by \$3,282,800 in SFY24 and \$1,086,900 in SFY25 to re-estimate W-2 benefit costs, for a total allocation of \$30,717,200 in SFY24 and \$32,913,100 in SFY25.
- W-2 contracts – Decreases funding by \$4,490,900 in SFY24 and increases funding by \$2,783,700 in SFY25 to re-estimate costs for W-2 services and administration contracts, for a total allocation of \$52,580,300 in SFY24 and \$59,854,900 in SFY25.
- Emergency Assistance – Maintains funding at base levels, for a total allocation of \$6,000,000 annually.
- State Administration – Increase funding due to standard budget adjustments by \$322,900 annually

- Provide one-time TANF funding of \$118,300 in SFY24 and \$322,900 in SFY25 for enhancements and system upgrades for the Benefits Recovery IT System, or BRITS, project.
- Provide \$187,200 annually to fund a contractor position to manage implementation of a new Housing, Opportunity, Planning, and Empowerment (HOPE) program, which will provide financial literacy and empowerment services to families receiving Wisconsin Works benefits.
- Provide \$199,200 in SFY24 and \$316,400 in SFY25 to cover increasing costs for services provided by Deloitte Consulting to the Bureau of Working Families.
- Provide \$14,900 in SFY24 and \$36,600 to increase a position in the Department of Administration assigned to Homeless Case Management Service grants to a full-time position.
- Repeals provisions relating to the Offender Reentry Demonstration Project, which sunsets the project.
- Recommends an additional \$500,000 annually to expand the number of schools participating in the Jobs for America's Graduates program.
- Recommends an additional \$1,700,000 annually to reflect higher participation in the Transform Milwaukee Jobs and Transitional Jobs programs under a proposal to remove eligibility restrictions for the programs requiring that individuals must be unemployed for at least four weeks and ineligible for unemployment insurance benefits prior to participating in subsidized employment.
- Recommends an additional \$500,000 annually for grants to WisTAF to provide civil legal services to low-income families.
- Recommends an additional \$500,000 annually to the Wisconsin Chapter of the Boys and Girls Club for the Wisconsin After 3 program, which improves literacy and math skills for low-income youth.
- Recommends an additional \$500,000 annually for Homeless Case Management Service Grants, administered by the Department of Administration.
- Recommends \$3,472,000 in SFY24 and \$6,944,000 in SFY25 to create a child support debt reduction program to assist participating non-custodial parents in paying child support debts to custodial parents.
- Modifies statutory language to clearly define the term "allocate" for TANF and CCDF-funded contracts subject to s. 49.175 Wisconsin Statutes.

Other TANF-Related Programs - 3

- Kinship Care – The Governor recommends a total kinship allocation of \$43,574,100 in SFY24 and \$53,719,500.
 - This allocation includes: cost-to-continue funding, increased funding for age-based rates (consistent with the increase for foster care rates; see items #13 and #14), funding to expand eligibility for the clothing exceptional rate and sibling exceptional rate, and an expansion of the definition of the relation.

- The overall increase amounts to an overall allocation increase of \$12,132,300 in SFY24 and \$22,277,700 in SFY25.
- Family and Schools Together (FAST) Program – Recommends an additional \$250,000 TANF in each SFY to be distributed only if the recipient provides matching funds.
- SSI Caretaker Supplement – Decreases funding by -\$5,382,600 in SFY24 and -\$5,956,100 in SFY25 for projected expenditures of \$12,762,400 in SFY24 and \$12,188,900 in SFY25 in the SSI Caretaker Supplement program administered by the Department of Health Services.
- Earned Income Tax Credit – Increases funding by \$42,420,000 in SFY24 and \$44,600,000 in SFY25 to partially offset the GPR cost of the proposed increase in the credit beginning in tax year 2023.
 - Proposed changes increase the amount of the federal credit that filers can claim if they have one or two dependent children.
 - Filers with one dependent child can claim 16 percent of the federal credit, increased from 4 percent under current law.
 - Filers with two dependent children can claim 25 percent of the federal credit, increased from 11 percent.